

AGENCY RESPONSE TO THE ECONOMIC IMPACT ANALYSIS SUBMITTED BY THE DEPARTMENT OF PLANNING AND BUDGET

RULES AND REGULATIONS GOVERNING THE PESTICIDE FEES CHARGED BY THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES UNDER THE VIRGINIA PESTICIDE CONTROL ACT (2VAC20-30-10 THROUGH 2VAC20-30-50).

The agency concurs, in principle, with the economic impact analysis submitted by the Department of Planning and Budget (DPB). However, the agency believes that the disadvantages of establishing a two-year certification period for commercial pesticide applicators and registered technicians are not as great as indicated by the DPB. For instance, in assuming a 5% rate of return, DPB states that commercial applicators and registered technicians could have earned \$1.75 and \$0.75, respectively, if they had paid their fees one year later. While DPB may have used historical averages to arrive at these projections, we note that a 5% rate of return has been practically non-existent in recent years. Also not considered in DPB's analysis is the \$0.37 postage and the timesavings realized by commercial applicators and registered technicians who will not be required to prepare and submit an application for renewal of their certificates each year. The precedent for multiple year licensing is established in many areas. For example, a Virginia driver's license is valid for a five-year period. It is reasonable to assume that some percentage of those who receive a Virginia driver's license move out of state before the expiration of their driver's license.